

CS FOR SENATE JOINT RESOLUTION NO. 7(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 5/10/21

Referred: Finance

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A RESOLUTION

Proposing amendments to the Constitution of the State of Alaska relating to prohibiting the establishment of a state tax without the approval of the voters of the state; requiring a two-thirds vote in each house of the legislature to change the rate of an existing state tax; and relating to the initiative process.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

*** Section 1.** Article IX, sec. 1, Constitution of the State of Alaska, is amended to read:

Section 1. Taxing Power. (a) The power of taxation shall never be surrendered. This power shall not be suspended or contracted away, except as provided in this article.

*** Sec. 2.** Article IX, sec. 1, Constitution of the State of Alaska, is amended by adding new subsections to read:

(b) Notwithstanding Section 18 of Article II, a law enacted under Sections 14 - 17 of Article II that establishes a state tax shall not take effect unless it is approved by the voters of the State in the first statewide election held more than one hundred

1 twenty days after the enactment of the law. The lieutenant governor shall prepare a
 2 ballot title and proposition summarizing the law, and shall place them on the ballot. If
 3 a majority of the votes cast on the proposition favor its adoption, the law becomes
 4 effective on the later of ninety days after the lieutenant governor certifies the election
 5 returns or an effective date provided for by concurrence of two-thirds of the
 6 membership of each house. If a majority of the votes cast on the proposition favor its
 7 rejection, the law is rejected and does not take effect.

8 (c) A law enacted by the voters through the initiative process under Article XI
 9 that establishes a state tax shall not take effect unless the legislature, by resolution,
 10 approves the initiated law by a majority vote in joint session before the adjournment of
 11 the next regular session occurring after the lieutenant governor certifies the election
 12 returns. If approved by the legislature, the initiated law becomes effective ninety days
 13 after approval. If the legislature fails to approve the initiated law before the
 14 adjournment of the regular session, the initiated law is rejected and does not take
 15 effect.

16 (d) Notwithstanding Section 14 of Article II, the rate of an existing state tax
 17 may be changed by the legislature only upon affirmative vote of two-thirds of the
 18 members of each house of the legislature. Nothing in this subsection alters the ability
 19 of the people to change the rate of an existing state tax by initiative or to reject a
 20 change in the rate of an existing state tax made by the legislature by referendum.

21 * **Sec. 3.** Article XI, sec. 6, Constitution of the State of Alaska, is amended to read:

22 **Section 6. Enactment.** If a majority of the votes cast on the proposition favor
 23 its adoption, the initiated measure is enacted. If a majority of the votes cast on the
 24 proposition favor the rejection of an act referred, it is rejected. The lieutenant governor
 25 shall certify the election returns. Except as provided in Section 1 of Article IX, an
 26 [AN] initiated law becomes effective ninety days after certification, is not subject to
 27 veto, and may not be repealed by the legislature within two years of its effective date.
 28 It may be amended at any time. An act rejected by referendum is void thirty days after
 29 certification. Additional procedures for the initiative and referendum may be
 30 prescribed by law.

31 * **Sec. 4.** The amendments proposed by this resolution shall be placed before the voters of

- 1 the state at the next general election in conformity with art. XIII, sec. 1, Constitution of the
- 2 State of Alaska, and the election laws of the state.